

This would provide a brighter future. This would provide a renaissance in this Nation. This would provide a bright future whereby we could then put more money into math and science and physics and chemistry, more money into autism research and more money into cancer research and more money into research for Alzheimer's, and really electrify America whereby we are creating jobs for the sake of the country.

For the sake of our children and grandchildren, this Congress and this administration should do this. And let me just say, this is a bipartisan criticism, the Bush administration, Secretary Paulson did not do a very good job on this and missed that opportunity. Now this administration has an opportunity. So hopefully this Congress and this administration, and if this administration doesn't do it, this Congress will do it, will vote to set up a bipartisan panel to deal with America's financial future to give hope to our children and our grandchildren and create a renaissance in America so we can honestly say America's best days are yet ahead.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SCHIFF) is recognized for 5 minutes.

(Mr. SCHIFF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### SOLVING THE ECONOMIC PROBLEMS IN AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. GOHMERT) is recognized for 60 minutes as the designee of the minority leader.

Mr. GOHMERT. Madam Speaker, this has been a busy week. We have taken up a lot of suspensions, congratulating USC, congratulating all kinds of things. I think we recognized a "day of reading" a couple of days after the day had passed. We have had a lot of great votes like that. But the most disconcerting thing are the votes of importance that we have been moving toward and taken up and how we see the economy continuing to falter.

I was one of those who was strongly against the Paulson bailout back in September. I thought it was a huge mistake. And who have ever thought a new administration would come in and then he would just exacerbate even that bad bailout bill?

But there is an article in the Wall Street Journal this week, this was dated March the 3rd, and I will quote from that. It is an editorial from the Wall Street Journal.

It says, "As 2009 opened, 3 weeks before Barack Obama took office, the Dow Jones Industrial Average closed at 9,034 on January 2nd, its highest level since the autumn panic. Yesterday the

Dow fell another 4.24 percent to 6,763, for an overall decline of 25 percent in 2 months and to its lowest level since 1997. The dismaying message here is that President Obama's policies have become part of the economy's problem. Americans have welcomed the Obama era in the same spirit of hope the President campaigned on. But after 5 weeks in office, it has become clear that Mr. Obama's policies are slowing, if not stopping, what would otherwise be the normal process of economic recovery. From punishing business, to squandering scarce national public resources, team Obama is creating more uncertainty and less confidence, and thus a longer period of recession of subpar growth. The Democrats who now run Washington don't want to hear this because they benefit from blaming all bad economic news on President Bush."

I know my friends on the Republican side here in the House, with maybe a few exceptions, most everybody loves this country. Well, everybody loves the country so much, but most everybody was really hoping President Obama would succeed in calming the economy, because we saw the job losses that were occurring. We wanted them to stop. I personally believe if he would use his gift of spreading hope and confidence, this economy would start rebounding.

I have been talking to business people who have been sitting on the sidelines, banks that have been sitting on the sidelines waiting to make sure people were going to start buying homes, were going to start buying again before they invested to take advantage of it; people saying that, well, they had to hire two or three people, but, good grief, if the President is going to be popping them with more taxes, they are going to have to pay more taxes and can't do any more hiring. So all of that kind of talk has really put a freeze further on the economy.

We also were promised over and over and over again by this President that there would be no earmarks and if a bill with earmarks came to him he would veto it. Well, we have already seen that didn't happen. But with this disastrous omnibus bill that is coming that will take around \$1.2 trillion we have already allocated so far under his watch, add that to over \$1.6 trillion, when you keep in that mind that most of that is above budget and for the entire year of 2008 there will be income taxes paid in of about \$1.21 trillion, we are already exceeding the entire amount of income tax that will be paid in for 2008. For what? For 9,000 earmarks? It is absurd.

I have been joined here by friends who I would like to yield some time to. At this time I would yield to my good friend, Mr. MIKE CONAWAY from Lubbock—not Lubbock—Midland, Texas, who played for Odessa Permian. He knows something about being tough. When the going gets tough, the tough get going.

Mr. CONAWAY. I thank my friend from Sweetwater, Texas—I am sorry,

Tyler, Texas. I can actually pronounce your last name, Mr. GOHMERT. Thank you. I appreciate being with you today and look forward to our conversation with each other and the other Members of the House who are filling almost every seat in the Chamber this afternoon.

We want to talk about fiscal responsibility. That has been a buzzword that has rolled off the lips of just about everybody in the administration who has come over the last couple weeks after the President announced his budget.

The President stood here during his address to the Nation and called us to do some tough things, to do some hard things that we were going have to have to do in the coming future. I had hoped one of the things he would have said was that we have some hard things to do, some really tough spending decisions to make. We can't afford everything that we have been spending money on. We can't afford all of this Federal spending. We have hard decisions to make. We have to set priorities.

I hoped what he would have said to us that night was "and we are going to start tonight," and he would have turned around and looked at the Speaker and said, "Madam Speaker, send me a continuing resolution or omnibus bill that spends no more money in fiscal 2009 than we spent in fiscal 2008." In other words, let's start that down payment on hard decisions.

Much of that increased spending, the \$32 billion of increased spending in the 2009 omnibus bill that has now subsequently passed this House is for new programs. It duplicates spending that was done in the stimulus bill. So there is really precious little reason to argue that we needed to spend more money in the regular appropriations process for fiscal 2009 than was already being spent in 2008 and the stimulus package itself. But he didn't say that. He convened a "fiscal responsibility summit" on a Tuesday, and then released his budget for the fiscal 2010 spending on that following Thursday.

We have had some hearings here in the Budget Committee and others about that budget. Many of his appointed hired guns have come over to us and looked us in the eye, looked these cameras in the eye in the committee rooms, and said this is a fiscally responsible budget. I have to argue with that, because that is a little bit different definition of "fiscally responsible" than any I have ever heard.

□ 1245

The budget itself calls for a—and he's bragged about cutting the deficit in half by the fifth year, cutting it down to \$533 billion. And that's a good goal. I mean, we should all be about cutting deficits. We should never make light of how difficult that is to do.

But then, if you look at the next 5 years of his budget, his deficits go right back up. I think the last budget on the 10-year window is about a \$700

billion deficit. So, how can you, with a straight face, say that that deficit that's got the cumulative deficits over a 10-year period that more than doubles the existing debt that we owe to outsiders, how can you remotely call this a fiscally responsible budget?

You then look at the stimulus spending that was anything but responsible. It was put together in the Speaker's Office with precious little input from those of us on our side of the aisle, which, I'm sure there are evidences in past history where Republicans have run roughshod over the Democrats. But clearly, two wrongs don't make a right. And we had no input into the stimulus spending package.

This is going to be kind of the gift that keeps on giving to embarrass those who voted for that stimulus package. I believe, over the next two years, we will see spending after spending after spending on things like Frisbee golf courses and other kinds of things that this money will get spent on that will embarrass anybody who voted for that stimulus package. So we'll see these coming out over the next couple of years.

The omnibus bill that we just passed, we gave our colleagues on the other side of the aisle an opportunity to say, all right, let's just spend, do what I had hoped the President would tell us to do in his address to the Nation the other night, and that is, hold this spending flat. Let's start the process.

It is going to be hard. When you cut Federal spending, somebody somewhere doesn't get paid. There is a job lost somewhere. There's a benefit that doesn't happen.

But this, where we find ourselves today is that every dollar of the stimulus package was borrowed. The deficit this year, which was exacerbated by that \$31 billion increase, that \$31 billion has to be borrowed.

Now, this money, under a normal borrowing scheme, you go to a lender, could be a bank, could be someone else, and you set up the loan, how you're going to get the loan, what you are going to use the proceeds for. But the lender is particularly keen on how he or she is going to get paid back.

Quite frankly, Madam Speaker, this debt that we're borrowing, the \$700-plus billion on the stimulus package, the extra \$31 billion on the omnibus bill, that debt will never get paid back, ever, because the only way you can pay back debt is to run a surplus. And this government does anything but run surpluses well.

I had an interesting conversation. I was in Fredericksburg, Texas back in October, and I was doing town hall meetings around the district, talking to constituents and hearing folks sharing their opinions, what was going on. I had gone to a particular school and was doing the town hall meeting for just the school itself. And I was taking questions from the folks in the school. And I had this little, young fifth-grader raise his hand, and so I got around to

calling him. And he looked at me and said, Mr. Congressman, what's the plan to pay off the national debt? And I just, I kind of rocked back on my heels. I said, I beg your pardon, which is a technique you use when you're taking questions like that to gain time to think. And I said, I beg your pardon? He said yes, sir. What's the plan to pay off the national debt? And I said, young man, that is the single best question I've ever been asked at a town hall meeting.

And the bad news is there are no plans to pay off the national debt. We would be tremendously excited around here if we could just run a balanced budget and we could quit making the process worse than it already is. And there are no plans, certainly over the next 10 years in this President's budget, to even break even, to quit making the problem worse.

And so the insidious thing about this debt is that we're not going to pay it off. It's not likely that future generations are going to pay it off. But there is an interest carry on that debt. That debt, right now we're benefiting from low interest rates because the rest of the world has fled into the safety of what they believe is the safe securities, the U.S. debt securities, so our interest rates are low. But as we begin to roll out this debt, borrow additional trillions, doubling of the national debt, interest rates will go up. So whatever the interest carry is, whatever the annual interest rate is on that debt is a permanent call, a permanent obligation that we are handing off to future generations. That interest alone will reach \$1 billion a year very quickly as we borrow additional money here very, very soon. So those are resources that have yet to be earned. That's taxes that have yet to be collected. And so those future generations will, in effect, inherit a hole in their budget of whatever that interest rate, whatever that interest carry is on what we have borrowed.

We have taken the process of fixing our problems with other people's money to a staggering art form, and weaning ourselves from that concept is going to be hard to do. We've never done it. Our generation hasn't done it. The generation ahead of us didn't do it. But future generations will have to because, while it appears that this Federal Government has a limitless ability to borrow money, that's not true. There is a finite amount of money that this Federal Government can borrow. I don't know that we're there yet, but every dollar we borrow and the trillions we're adding on, we're getting closer to that point at which the rest of the world says, you know, I'm not sure America can make good on its debts. And once that happens, we're in for remarkably different circumstances.

So I want to thank my good colleague from Tyler, Texas for allowing me to help out this afternoon and be a part of this conversation, and look forward to the comments from he and our other colleagues.

Mr. GOHMERT. I thank the gentleman from Midland, Texas.

And I would like to add to the comments that you made with regard to the indebtedness that we are laying upon this Nation for future generations. It really seems analogous; what we're doing here, what we've been doing since, you know, the year started, we are borrowing all this money.

We had our Secretary of State go to China and beg them to keep buying our notes, buying our bonds, whatever you want to call them. I mean, basically, keep loaning us money is what we're begging the Chinese to do.

And it would be like one of us going into a bank, saying, I want to borrow a bunch of money because I cannot control my spending. I just can't quit spending, so I need to borrow a bunch of money. But, see my little child over here? That child, and one day his children will, I'm promising my child and my grandchildren will one day pay that back. Just loan me the money because I can't quit spending. So, I mean, that would be insane. Those children would be taken away from a parent who would do that to them. They would. And yet, that is what's going on here.

Now, I heard our friend, the chairman of appropriations, earlier sarcastically belittling Republicans, that he didn't need to be lectured by Republicans who did such a great job of running the budget, running appropriations before they were in the majority. But if you will go back to my first 2 years, actually, all three of our first years in Congress, 2005 and 2006, we kept hearing two things over and over. One was that we needed to quit running up the deficit. And they were right. And some of us were saying it back then. We were agreeing that we shouldn't be running up the deficit. But that was not what was happening.

But the other thing was, we were being terribly beaten up over the fact, they said we weren't spending enough money on anything but the military. So it was a little difficult to be lectured and beat up over running up the deficit. And yet, virtually every bill, it seemed like they wanted to spend even more money. And that's the problem they had with most bills, whether it had to do—well, I mean, just take your pick. They wanted to spend more money on virtually everything but the military.

So it's been a little disconcerting to see them get elected, get the majority, which people got fed up with Republicans spending too much, so they get the majority because they said we won't run up the deficit. And ever since they've been in control, January of 2007, it has been running up.

Granted, they had a Republican President. But it is, constitutionally, the obligation of the Congress to appropriate the money, and they were appropriating it in record amounts.

And now, it's like there's just nothing but giddiness around this town. They've got to keep a straight face in

front of the camera, but just the spending, wow. We've got a crisis. We can throw all this money. We've had all these 12 years of pent-up frustration, programs we couldn't get through, and now we're seeing those come to fruition, and it is devastating the economy. And it's time to stop.

At this time I'd like to yield to my friend, also a former judge, Mr. Ted Poe from Texas.

Mr. POE of Texas. I thank the gentleman for yielding. Appreciate his comments and Mr. CONAWAY's comments, especially with his background as a CPA, he understand numbers maybe a whole lot better than some of the others of us here.

In less than 2 months, the stock market has dropped over 2,000 points. It's below 7,000. Many folks throughout the country who have invested in the stock market have lost somewhere between 25 percent and 50 percent of their investment. My parents are examples of that. They're both 83, and they had hoped that at the end of their existence on this earth that they would be able to live off of their investments. And they, like many other folks, not just senior citizens, are finding that difficulty.

It's somewhat disturbing that the voice we hear from those in the administration, different people who work in the administration, take the position that it's almost irrelevant what the investor class thinks about what's going on. Well, it's not irrelevant. It's the investors who put their money into businesses to give those businesses capital so that those businesses can be a going concern. If investors don't invest in business, then that business may not have the capital. And so it is relevant what investors think.

And the investor class is not just the rich and famous. It's just the average Americans; some of whom have just a few shares of stock in different businesses in this country. So it's very relevant. And to dismiss their input as irrelevant, I think, is very disturbing because the stock market has plummeted, really, at a record amount in just 4½, 6 weeks.

It's interesting times we live in, Mr. GOHMERT, that we are seeing right before our eyes the entire change in philosophy about America. America was founded upon the principles of individual liberty, capitalism. You know, that's a bad word, nowadays. It was not founded on the principle of government control of our lives, the government solving every problem that exists for everyone of us or every business.

But yet, we have moved, in just a few short weeks, to government. Government is the solution, so sayeth some. And the way that the government has gotten involved with first, controlling the banking industry, the financial markets, the automobile industry, and of course, none of those entities are any better off today than they were before the government got involved. So the answer for government is, more

control of those entities, more money to those entities, those failing entities.

And now we hear about the fact that we want the government to provide universal health care for everybody. That sounds good. People should have health care, have a way to take care of themselves when they are medically disabled or when they need to go to the doctor. But the answer for universal health care is to have the government run this program. We don't use the word socialism anymore because that's a bad word. We just call it government control.

And I have seen, as many people have, as you have in other countries, how government-controlled health care, first of all, does not provide better health care for the citizens. History proves that. You can look at Canada; you can look at France.

I was in the former Soviet Union when it was the Soviet Union, and I went to a doctor's office to see how people got their universal health care in the Soviet Union. Well, first of all, there's a line down the street waiting to see the doctor. And the line starts early in the morning, but at 4:00 in the afternoon, the doctor goes home. People in the line, they've got to come back the next day and get in line again. That is what universal health care meant in the Soviet Union. It's never worked. It hasn't worked anywhere. History shows that.

□ 1300

If we like universal health care, or socialized medicine—as I call it—like they have in France, it will have the efficiency of the post office and the confidence of FEMA and the compassion of the IRS and of other government-run programs. So, when we think about government programs, most of those really aren't as successful as the government claims them to be.

I don't see how, when we're out of money, we can spend money we don't have and then prosper. That has not worked, Mr. GOHMERT. The more we spend, the worse off it seems the country is—the government control of our lives, its the citizens, the government control of our money and the government control of our businesses.

What has taken place is that the government makes decisions that this program or this special interest group will receive government funding for whatever reason. Then what the government does is it takes money from other people, from American citizens, because we're not smart enough to decide how to spend our own money, so the government decides and then gives it to these different special interest groups throughout the country with the idea that, well, it will help the economy, that it will help get us out of this recession. Well, that theory, so far, has not worked since the first bailout.

The Congressional Budget Office, which is a group of people who are certainly not partisan, but they do num-

bers—all they do are numbers kind of like Mr. CONAWAY did numbers in his CPA business before he came to Congress. They say all of this spending is not going to help the economy. We haven't heard much about that because they're not giving a favorable report about the stimulus package, but that's what they say. We don't have the money. We're going to have to borrow it from people who, you know, preferably we shouldn't be borrowing it from.

I was as embarrassed as you were, Judge, when our Secretary of State seemingly begged the Chinese to loan us more money. I don't think that's a position that the United States should ever be in, especially borrowing money from China of all places.

We hear that we're going to tax folks who make over \$250,000. The rich, you know, don't need all that money. They need to share it with everybody else, you know, sort of like redistributing wealth in this country. Well, of course, the people making over \$250,000 pay most of the taxes, and 40 something percent of Americans don't pay any income tax, but the practical matter is we're not so sure those people are going to keep working.

I have people in my district who are small business owners, who run a little shop of some kind, who employ seven or eight people, but they have a sole proprietorship of that business; therefore, they file an income tax. If they make more than \$250,000, they're going to be hit by this. Small businesses are the core of this country in making new jobs, especially historically, and there are only a couple of ways they can pay those taxes.

Since they're going to be in a higher tax bracket, they're going to have to have somebody laid off when they're in the higher tax bracket or they're going to have to take in less money. Either way, it doesn't help the business or it doesn't help the economy. They can do something else. I've gotten a few calls—we do have a few people who make over \$250,000 in Humboldt, Texas—and they said they're going to cut back. They're just going to get themselves in the position where they're below \$250,000. They don't think they should be working, when they're in that higher tax bracket, to pay for programs for other people. When they cut back, they cut back employees, but it also cuts back revenue into the Federal Treasury. So I don't know how many people are going to take the downsizing approach, because of the tax structure, but I can understand why people feel that way.

As far as taxes go, I feel like we shouldn't be raising taxes during a recession. I don't know that economic theory that says that it works to raise taxes during a recession. History shows, if you raise taxes, you get less productivity because people have to turn more money over to the government.

The stimulus bill, as my friend Mr. CONAWAY has talked about, and some of

these programs that are in the stimulus bill are an effort to move the economy forward and get us out of this recession. Well, it has programs in there, and there are too many to mention. We would be here until next Monday talking about all of the different programs that have nothing to do with stimulating the economy.

One of mine that comes to mind is that we're going to require Americans to give \$30 million to the government so the government can give that \$30 million to San Francisco to set up a wetland to save the salt marsh mouse in the San Francisco Bay. Now, I didn't know that San Francisco had a salt marsh mouse, but they have it, and they want to keep him, so we're giving them \$30 million. Now, how is that going to stimulate the economy? I'm not so sure that the taxpayers would really want to spend their money to save a rat or—excuse me—a mouse in San Francisco. We prefer not to keep those where we're from in Texas, but anyway—and the stimulus bill is filled with programs like that. In my opinion, it's very disturbing.

So maybe we should cut spending. One thing that we haven't talked about is cutting the spending that we give to foreign countries. You know, every year, we roll out the U.S. currency and give it to countries all over the world, many of whom, as you have pointed out in previous speeches, Mr. GOHMERT, have voted against us in the United Nations. They hate us; they vilify us, but they take our money. Sometimes, of course, the money doesn't even get to the people; it's given to the dictators. So maybe we ought to start there. Let's go through the foreign countries that we give money to and decide whether or not we're going to give them any American money this year. We need to cut back instead of spend more money.

There's another thing I'd like to mention in closing. I represent southeast Texas where there's a lot of blue-collar folks, a lot of rice farmers, and it includes part of suburban Houston. One of my friends there is a guy by the name of Sammy Mahan. I, like you all, talk to regular folks as much as I can to find out what they think. He runs a wrecker service in Baytown, Texas. He has five drivers and five wreckers that he uses. He and I were talking about the stimulus package, and he asked me:

He said, "Well, how are we going to pay for it?"

"Well, Sammy, we really don't have the money. We're probably going to have to borrow the money from the Chinese and maybe have a tax increase down the road."

Then he said, "Well, how much is it going to cost?"

"\$790 billion," I said.

He said, "No. No, Ted. How much is it going to cost me?"

"Well, the budget office has figured out it's about \$10,000 per family in the United States."

Then he said, "Well, just opt me out."

"Well, what do you mean, 'opt you out,' Sammy?"

"Give me a form," he said. "I want to sign my name. I want to opt out of that deal."

"Sammy," I said, "I can't do that."

"You're my Congressman," he said. "You can do that. Take care of that. Send me the form. You deduct \$10,000 from the \$790 billion. That's my portion. I don't want to pay for it," and he hung up on me.

So I think many Americans, if they had a choice on these stimulus bills, on this wasteful spending that doesn't help the economy, would want to opt out. Maybe we should give them that choice. We might bring that stimulus spending down a little bit.

I appreciate the time. I think maybe we ought to go back and look at some basics that have worked and where history in this country has proven that, when you tax something, you get less of it, and you get less productivity. So maybe we ought to cut taxes for all Americans who pay income tax. Then they can have more of their own, and they can spend it the way they want to rather than having us, as the government, deciding how to spend it.

I appreciate that. I yield back the rest of my time. Thank you.

Mr. GOHMERT. I appreciate those great observations.

It used to be that people in this town, long before we got here, knew the phrase and knew it was true: the power to tax is the power to destroy. It's still true. If you want more of an activity, then you reward people for the activity. If you want less of an activity, then you tax it. So what have we been rewarding? What have we been taxing?

Well, going back to the mid-'60s, we had people in this body who saw single women who were struggling because deadbeat dads weren't helping. So what did they do? They said, "Let's help them out." Instead of giving them incentives to finish high school, to finish their education, to reach their God-given potential, what did we do? We weren't here, but the Congress here passed a bill that said let's give them a check for every child they can have out of wedlock. Well, I know they meant well, but 40 years later, we've gotten what we've paid for. We have gotten more children born out of wedlock and more children relying on the government than ever in the history of any country.

So I'll tell you: I was not one of those who panned President Obama's address, which is normally the State of the Union, but being a new President, it was more just a speech to the joint session. I loved some of the quotes he had. You know, we needed to hear an encouraging speech. That's what I mentioned to him as he came by, that the country needs an encouraging speech. I was hoping he would deliver and then pump up the country, but then he started into the same stuff—crisis, cri-

sis. There's a quote that has been attributed to the Chief of Staff of the President's that you don't want to let a good crisis go to waste. You know, obviously, it appears that they want to run through all of these social programs they could never pass without blaming it on a crisis, but I loved his comments.

When he said, "we will rebuild; we will recover, and the United States of America will emerge stronger than before," I loved that. That's great.

He says, "The answers to our problems don't lie beyond our reach," President Obama said. "They exist in our laboratories, in our universities, in our fields, in our factories, in the imaginations of our entrepreneurs—" that's not government workers. That's entrepreneurs—"and in the pride of the hardest working people on Earth. Those qualities that have made America the greatest force of progress and prosperity in human history we still possess in ample measure."

He also said we're not quitters. I mean he had some great lines, but then look at his solutions. For one thing, when I heard this—and I don't know if other people picked up on it—he said, "First, we're creating a new lending fund that represents the largest effort ever to help provide auto loans, college loans, small business loans to consumers and entrepreneurs who keep the economy running." I went, uh-oh, a new lending fund? It sounds like a new bank. The last time, government got involved, and we ended up with a congressional bank. As I understood, it didn't work out so well. That wasn't a very good idea to have Congress in charge of a bank.

We're supposed to set up a new lending fund to do all of this lending, but then when you see the kinds of steps that are being taken to absolutely destroy the best, most stable lenders in the country—the community banks—then it makes you wonder: Are they trying to destroy the community banks that have had good business practice? that have made good loans? that have done everything that they should to make a profit and to stay in business and to help America grow by making proper loans? Of course we got involved in that.

Before we got here, Congress told them, back when Chairman FRANK and Senator DODD pushed through a bill, to force banks and to force lenders to lend to people they wouldn't have otherwise. That concerned me.

Going back to the proposition, you know, whatever activity you reward you will get more of. Whatever you tax, penalize, you'll get less of. So we had a marriage penalty for many years, you know, going on two or three decades. Apparently, the government said, ah, marriage, we don't like it, so let's penalize it so we get less of it. So we've gotten less of it.

In his speech, he mentions, "When we learn that a major bank has serious problems, we will hold accountable

those responsible." I said great. That's my thought. Force the necessary adjustments. Okay. Sounds good.

Then he says, "Provide the support to clean up their balance sheets." I went, whoa, here we go. We're going to reward bad conduct again? Because if you look at all of the money that has been thrown at the economy, where has it been thrown? It has been thrown to people who helped create the problem. That doesn't help reduce the problems we're having. It just makes them worse.

Then this statement made my heart nearly stop: "This plan will require significant resources from the Federal Government." Well, the fact is he had it right when he said that it was the entrepreneurs and the people in the factories and in the fields who have really made America great. You know, that's where the secret is. It's in the American people. It's not in this government.

We had such a great model of how this can all go wrong back when the pilgrims came. You know, the pilgrims came, and of course they started out on both the Speedwell and the Mayflower. Then the Speedwell started taking on water, so they had to cut their group, the most hardy. They got them on. They had the prayer meeting before they came. They asked God for guidance and protection, and they came across. They signed a beautiful compact that basically, in essence, said it's all going to be community land, that it's all going to provide produce that we'll bring into the common storehouse and that we'll split evenly among everybody. Well, it's socialism.

□ 1315

And after they lost nearly half their group the first winter, you go back and read Bradford's journal, they eventually realized, We're all going to die under this system of socialism.

So they came up with this novel idea: Why don't we divide the land up into private property and everybody be responsible for their own private property, everybody be responsible for what they produce, and then they can actually have some profit and make something over and above. That is the model, that was the lesson that came in over 100 years later when we got our Constitution—this idea of private property—that the real true spirit in America that would cause this to blossom and become the greatest country in the world was the idea of private property, of free markets.

The government's job is to provide for a common defense—that's what got us out of the depression of the '30s—providing for the common defense in 1941 and 1942, and then also make sure people are playing fair. Keep the playing field level, and if people are cheating, like we've had lately, go after them so that the people playing fair aren't punished. We're punishing the wrong guys.

I'd like to yield some time again to my friend, Mr. CONAWAY.

Mr. CONAWAY. I thank my good friend from Texas.

The President's budget—just to kind of put some hard numbers on this—shows that the budgets come over from the White House in 10-year increments—5 years, 5 years; a total of 10. And we've got some rules that require us to do that.

Anybody who's ever done a projection knows that you can project today pretty well, and you can project tomorrow better, but each day you go further after where you are right now, those projections become less and less reliable. And certainly out at the 10-year, it's much more of a mechanical, mathematical equation.

But the President's budget, the first 5 years creates or spends ourselves into a \$3.8 trillion deficit. That's with a "T." So one trillion—\$3.8 trillion in deficits, cumulative for the first 5 years. The second 5 years, you'd like to be able to brag on it because it's less, it's actually only \$3.2 trillion additional borrowed from the Chinese, from the Japanese, whoever at that point in time will still lend to us.

And I'm worried about who we borrow money from, but I'm more worried about the total amount of money, which I think is more important. So over that 10-year period, we're going to borrow \$7 trillion from anyone who will continue to loan us money.

So the second 5 years is not quite as bad as the first 5 years, except that year 10 of that projection shows a higher deficit than year 9. So the trend in the last 5 years of the budget is increasing deficits well beyond what we've ever seen on a single-year basis in this country.

To make matters worse, the budget projections are based, in my view, on flawed estimates: estimates of how good the economy is going to be, how much tax collections are going to be, and those kinds of things. It clearly includes a tax on every single person. If you include the cap-and-tax proposals that the President called for in his speech the other night—and is beginning to tout—that tax, that cap-and-tax system taxes anyone who pays for electricity, anyone who buys gasoline, anybody who pays for energy, those energy costs are going to go up unnecessarily under that cap-and-tax system. So tax increases on everyone.

And the spending savings that they brag about is based on, again, kind of a very slight-of-hand technique, and that is they say that the baseline of the budget is going to include surge level spending for the next 10 years. Well, we've already unwound much of the surge, so that spending is coming down. So to say we're going to spend at the same levels in Iraq on the surge for the next 10 years is a bit disingenuous on its face.

And then to claim the spending savings from actually reducing that back to a more normal number and then brag about that being some sort of a tough decision to be made, in my view

is less than forthright, let me put it that way.

I would yield back to my colleague who is controlling the hour because I think we've got a big number in front of us.

Mr. GOHMERT. I thank the gentleman. I thank my friend.

I would also like to recognize, again, Judge POE, for whatever time he may consume.

Mr. POE of Texas. I appreciate the gentleman yielding.

You know, when we talk about money up here in Washington, whether it is a million, billion, trillion—you know, what's the statement? "Billion here, billion there; eventually we'll be talking about some real money." And, of course, it's hard for me to conceive what a billion is anyway. A million is difficult.

But a trillion, you know—I had to look up how much a trillion was. Unlike my friend Mr. CONAWAY, who's a CPA, you know, my background's a lawyer. And so I don't deal in numbers too much—except when I was a judge, I had some numbers that I would deal with.

But it's hard to conceive how much that is. These two charts right here have the number \$9.7 trillion. Now that's the biggest number I have ever seen that supposedly meant something. And I'm glad there's not another digit because I'd have to have a third poster board to get it on there.

But \$9.7 trillion. Now, what does this mean? This is how much money we're going to spend and have spent this year, plus the indebtedness that Mr. CONAWAY talked about. That's just this year.

Now, I don't know where we can write a check for that. I don't think there is enough Americans, if we took all of their money away from them, that they could pay for that. And it's unfortunate to me that we're borrowing money that we don't have and spending on programs that really don't work to stimulate the economy.

Mr. GOHMERT, you mentioned about putting our kids in debt. We're putting people in debt that have yet to be born in this country—not just our grandkids but our great grandkids; people that have yet to be born. They're going to have to pay this off eventually.

I mean, the chickens come home to roost, eventually, and this has got to be paid, and we don't have the money. It's very unfortunate that we continue to spend money we don't have and borrow from people that don't like us and then make the American public pay for the rest of it.

But that's the position that they find themselves in, and they don't have a choice about that.

So I just wanted to let you see this number, Mr. GOHMERT.

Mr. CONAWAY. Will the gentleman yield?

Mr. POE of Texas. I certainly will.

Mr. CONAWAY. To try to put \$1 trillion into perspective, which is difficult

to do—as the judge mentioned, I'm a CPA, I've been in banking a long time. It's a huge number. But if you were to spend a certain amount of money each second a year—in other words, if you spend \$1 trillion, if you were to try to get that spent on a second-by-second basis for a year, you would spend \$33,000 a second. Every second.

Mr. POE of Texas. Would the gentleman yield?

Mr. CONAWAY. Yes.

Mr. POE of Texas. How much a second?

Mr. CONAWAY. It's \$33,000 per second.

So we're approaching 3 or 400,000 just in the time we've had the exchange in this conversation about what it is.

So \$1 trillion. You'd spend \$33,000 a second in order to get it all spent. About 31 million seconds in a year. And so that's just to try to give you some sort of visual or mental aspect of how much \$1 trillion is.

Mr. POE of Texas. I haven't divided that into \$9.7 trillion, but you're the CPA. You should be able to figure that out in your head.

Mr. CONAWAY. Yeah. Just multiply it by 10 because you've got \$10 trillion there, so just multiply the ten. So it's 300,000 a second.

Mr. POE of Texas. Interesting.

I will yield back my time to Mr. GOHMERT.

Thank you.

Mr. GOHMERT. Thank you. And I appreciate those insights.

Here's another chart that this leads into very well that kind of tracks the deficit that's been growing. Of course we know the Constitution requires that there is not a dollar spent in the whole Federal Government that is not appropriated—made available—by the Congress. If it's not made available by the Congress, it doesn't happen. And because there had been too much spending earlier before November of 2006, the voters said, "Enough." And they listened to the arguments of what is now the majority party, the Democratic Party, and said, "You know, they're right. They're spending too much."

So, as of January 2007, the Democratic majority, led by Speaker PELOSI from San Francisco, took over the government and took over the deficit. Because I know all three of us here on the floor that are engaged in this discussion were against deficit spending in 2005 and 2006 by our own party when we were in charge. I know that we all were hoping the deficit spending would stop. The economy was doing okay, you know, in 2007. It wasn't great, but it was doing all right.

But then as of January 2007, that's where we were on this chart.

Now the green is the Federal deficit, the orange here is discretionary spending that's within our control, and then the mandatory spending are the programs like Social Security and Medicare, that kind of thing.

And so you look at what happened from January of 2007, right here, this

big jump up is when the stimulus was passed in January of 2008. And that was passed with Speaker PELOSI's leadership. It got passed. And you may recall the microphone picked me up asking the President as he went by—because I knew \$40 billion of that was going in rebates to people that didn't pay anything in income tax—so I asked the President, "How do you give a rebate to people who didn't put any 'bate' in?" And I still think that's a legitimate question because now we're doing it again. We're giving a rebate to people who didn't put any "bate" in, they didn't pay in the first place. So how is it a rebate?

Then we have this next big hump. That came with the pre-TARP loans. And then the big hump was TARP and the auto bailouts spiking. And then low and behold, here is the stimulus II, the \$787 billion and then the \$410 billion omnibus that this Congress has done, that this Congress is responsible for. And you see this extraordinary spike in the deficit.

Now, just because there was some overspending by Republicans doesn't mean you put that times or squared or cubed. This is insane. It has to stop.

I also want to point out a bill that was passed this week from the House regarding cramdown. I mean, it gets so discouraging in here when every bill we pass is hurting the economy. You know, it makes you wonder, is somebody back there thinking, Well, eventually, if we hurt it enough, the government will take over and then all of our problems are over. Because I know that everybody that serves in this body, they want the best for the country; it's just that some do not have enough faith in the American people that they'll know how to spend their money.

You know, we saw the great quote from Senator KERRY, "But if you gave the American people their own money back, gave them that kind of tax money back, well, they might not spend it the right way." Well, that's insane: Let the American people get us out of this problem; the government certainly hasn't done it.

But going back to this mortgage cramdown bill. Here you have community banks that have been doing a good job of lending despite the onerous burdens that's been put on them by this Congress, going back to the '90s, again, before we were here, but this Congress required lenders to lend to people who might not be able to pay back. Even with that, they were doing okay.

This provision, for the first time in our history, the history of the country, will allow a bankruptcy judge to materially drop the principal on a mortgage. The banks have to rely on the value of the mortgages on their balance sheets. If they can't, then they appear to be insolvent. That gets them in trouble. These are solvent banks. You pass a law like this, and not only that, this bill allows bankruptcy courts to grant a no-interest 30-year mortgage

as an alternative to dropping the principal materially.

Mr. CONAWAY. Will the gentleman yield?

Mr. GOHMERT. I certainly will.

Mr. CONAWAY. The perverse impact of the cramdown provision is that we will have fewer mortgages. If you're a banker and you are lending money for a 30-year payout, then you have got to be very secure in your collateral because circumstances come and go with respect to the borrower's ability to repay—their health, all of those kinds of things—but if you've got a 30-year loan, which you're on the hook to leave out there as long as the customer makes those payments, then the collateral is a huge piece of why you decide to make that loan.

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If bankruptcy judges are now allowed to come in and adjust that value of the collateral to the banker, then the banker is going to react in a couple of ways; one, that the banker on the front end is going to say, okay, now if the bankruptcy judge has this authority to reduce the value of my collateral, then I'm going to be willing to loan less money, which means that instead of coming up with the traditional 20 percent down—before we got into the subprime nonsense that went on, but the typical 20 percent down—banks are going to insist on much higher down payments because they've got to be assured that throughout the life of that loan, the collateral never gets upside down, that if the borrower quits paying, that they can get that house back and pay off the rest of the loan by selling that house.

They will also respond by raising interest rates, because interest rates reflect risk for the borrower and the lender; the higher the interest rates, the more likelihood that that loan could default at some point in time.

So this cramdown provision will put a chilling effect on future home mortgages, which may be the intent. One of our colleagues said on a talk show with a fellow that, you know, maybe this individual homeownership is overrated. Maybe we don't want Americans owning their own homes because they can't handle the responsibility for paying it off. And so let's put in some public policy things that will help discourage homeownership, which doesn't make a lot of sense to me, but then I was just listening and was trying to understand what this person was saying. But these cramdown provisions will have a chilling effect on future home mortgages if they are left in place, as was contemplated in this bill.

Mr. POE of Texas. Would the gentleman yield?

Mr. GOHMERT. Certainly.

Mr. POE of Texas. A little follow-up on the home mortgage industry, it was either in the Washington Times or the Washington Post this morning that the problem with mortgages centered on 36 counties in the whole United States, it spread to a few more.



But most Americans pay their mortgages, and most of them pay mortgages on time. We're talking about 95 percent of Americans who are buying their own home pay their mortgages and pay them on time. So we're dealing with 5 percent who have not. And that 5 percent found themselves in a situation where banks would loan them money with very little money down, telling them that if you buy this \$200,000 house, no money down, you pay your monthly payments, in 5 years this \$200,000 house is going to be worth \$300,000, and then you can pay off the rest of the loan to us, the bank. So with little down, people who in that situation probably shouldn't have been buying a house to begin with because they didn't have the income, they make payments, the housing market drops—it doesn't just drop below \$200,000, it goes much lower than that—and people walk away from the homes and the banks are left holding this house. Now, that was a contract between the lender and the borrower.

Contracts are important in this country. That's like us in Texas, you know—out in west Texas, especially, where you're from—big land deals are made on a hand shake, your word is important. But now we're going to let the government lawyers and judges—and I used to be a judge, just like Mr. GOHMERT—they're going to decide to break the word and the contract, and they're going to decide how to do it. They're going to restructure the loan, they're going to tell the bank, you can't get all that money back, we're going to cut it down, the principal. And that destroys confidence in our legal system, when you have the ability to have a judge go in, break the contract, and design it the way the judge wants it designed, to the benefit of the borrower or the lender? I don't know. It's going to be based upon whatever that judge thinks at the time. So this is a bad precedent to set, I think, in this country when we are diminishing the value of a contract.

Certainly we should encourage banks to work with the borrowers and all of that, but most Americans that I have talked to, they've got a problem with paying off somebody else's mortgage who got themselves in a situation when they may not have come into that situation with clean hands, and the same with the lender.

I just wanted to make that comment. I yield back to Mr. GOHMERT.

Mr. GOHMERT. And I appreciate that. Great points all being made. Our time is running out.

But on this cramdown provision, we offered, basically, in a motion to recommit—which is similar to an amendment—a provision that would say if you lied in your representations to the bank about how much you made in order to get the loan, then you could not get a 30-year interest free loan, and you couldn't get this provision of the bankruptcy judge to lower the principal as he so felt. That was voted down.

Here, again, it goes back to the proposition that if you penalize good conduct, you're going to get less good conduct; if you reward bad conduct, you're going to get more of the bad conduct. And that's what we've done. And here, we're also talking this week about cap and trade. India and China are putting more pollution into the atmosphere, and we're going to hurt our own economy at a time when we have cleaned up more of our air and water than ever in our history. This is just wrong. This is not the time to be hurting and devastating the economy.

In our Natural Resources Committee, we keep having people pushing—and it's going to come to the floor—to further put a moratorium again on the Outer Continental Shelf. That's a million jobs, people have said, a million jobs, won't cost the taxpayer a dime, and in fact it will add dramatically to the coffers of the U.S. Treasury.

Open up ANWR. Nothing's living there. We can produce oil, another million jobs. Not up there, all over the country, and we're turning our back on that. The gas fields there that are not open, another million jobs. These are projections that real economists have made. And we're talk turning our back on them saying, no, we would rather tax even more the producers in this country, the people that are making things happen so they can't hire new people because they're paying tax to the government.

And then we get word that the President intends to put a cap on charitable deductions. So the institutions that are doing the most good—cutting recidivism, helping the poor around the world where they actually go in and they feed people, they don't give the money like our government does to a corrupt government overseas, they actually go in and do some good—we're going to cut that because we want that money coming to us in taxes rather than allowing charitable contributions to those who are doing the most good.

This is insane. It has got to stop. But the hope I have, as I see polling around the country, the American instincts, the majority of Americans' instincts are still good. They get it. They're not happy about this. The instincts are still good. And a majority of the Congress, the instincts are still good, it's just the leadership has led people in the wrong direction.

We need to turn this around. We can turn this around—not with more government, but just as we started out talking here today, if we were to go in as a parent and say, I can't control my spending, Mr. Banker; make me a loan and my kids and my grand kids and great grand kids will some day pay it back, then Child Protective Services would come in and take my children away if I were to do that. That's what we're doing. And it's time we turned the parenting over to somebody that's not going to hurt the children and the grandchildren and great grandchildren.

#### APPOINTMENT OF MEMBER TO SERVE AS CO-CHAIR OF THE TOM LANTOS HUMAN RIGHTS COMMISSION

The SPEAKER pro tempore. Pursuant to section 4(c) of House Resolution 5, 111th Congress, the Chair announces the Speaker's appointment of the following Member to serve as co-Chair of the Tom Lantos Human Rights Commission:

Mr. MCGOVERN, Massachusetts

#### COMMUNICATION FROM THE REPUBLICAN LEADER

The SPEAKER pro tempore laid before the House the following communication from the Honorable JOHN A. BOEHNER, Republican Leader:

HOUSE OF REPRESENTATIVES,  
Washington, DC, March 3, 2009.

Hon. NANCY PELOSI,  
Speaker, U.S. Capitol,  
Washington, DC.

DEAR SPEAKER PELOSI: Pursuant to section 4(c) of House Resolution 5, 111th Congress, I am pleased to re-appoint The Honorable Frank R. Wolf of Virginia as co-chair of the Tom Lantos Human Rights Commission.

Mr. Wolf has expressed interest in serving in this capacity and I am pleased to recommend the appointment.

Sincerely,

JOHN A. BOEHNER,  
Republican Leader.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ABERCROMBIE (at the request of Mr. HOYER) for today.

Mr. DEFAZIO (at the request of Mr. HOYER) for today on account of official business.

Mr. RANGEL (at the request of Mr. HOYER) for today on account of official business.

Ms. JACKSON-LEE of Texas (at the request of Mr. HOYER) for today on account of official business.

Mr. FATTAH (at the request of Mr. HOYER) for today.

Ms. GINNY BROWN-WAITE of Florida (at the request of Mr. BOEHNER) for today on account of a medical reason.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CONNOLLY of Virginia) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. SCHIFF, for 5 minutes, today.

(The following Members (at the request of Mr. BURTON of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. KIRK, for 5 minutes, today.

(The following Member (at his request) to revise and extend his remarks and include extraneous material:)